



**DEPARTMENT OF INSURANCE
STATE OF ARIZONA**

Financial Affairs Division - Compliance Section
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**UNAFFILIATED CREDIT LIFE AND DISABILITY REINSURER
ANNUAL STATEMENT FILING INSTRUCTIONS
CALENDAR YEAR 2005**

To qualify for relaxed regulatory treatment, a reinsurer must annually reaffirm that it reinsures only credit life or credit disability insurance that is issued according to A.R.S. Title 20, Chapter 6, Article 10 by an insurer authorized to transact insurance in Arizona. The reinsurer must also certify that it is not "affiliated," as defined in A.R.S. § 20-481, with any other insurer.

The following forms must be included with your Annual Statement:

<u>FORM #</u>	<u>FORM DESCRIPTION</u>
E-UCLDR.AS	Annual Statement Filings Worksheet
E-UCLDR.CERT	Annual Certification and Affidavit of Verification
E-178UCLDR	Certificate of Disclosure

READ ALL THE INSTRUCTIONS PRIOR TO PREPARING AND MAILING THE FILINGS.

1. **UCLD Reinsurers** may file an abbreviated form of the NAIC Annual Statement Blank for Life and Accident and Health Insurers. Pages required to be filed are listed below, and should comply with the NAIC Annual Statement Instructions.

- Jurat Page
- Assets
- Liabilities, Surplus and Other Funds
- Summary of Operations; Capital and Surplus Account
- Cash Flow
- Analysis of Operations by Lines of Business
- Schedule E, Part 1, Cash
- Schedule E - Part 3 Special Deposits
- Schedule S, Part 1, Section 1 (Reinsurance Assumed, Life)
- Schedule S, Part 1, Section 2 (Reinsurance Assumed, Disability)
- Schedule S, Part 2 (Reinsurance Recoverable on Paid and Unpaid Losses)
- Schedule S, Part 3, Section 1 (Reinsurance Ceded, Life)
- Schedule S, Part 3, Section 2 (Reinsurance Ceded, Disability)
- Schedule Y, Part 1, Organizational Chart

UCLD Reinsurers shall also file the following Notes to Financial Statements:

- Summary of Significant Accounting Policies
- Accounting Changes and Correction of Errors
- Information Concerning Parent, Subsidiaries and Affiliates
- Contingencies
- Events Subsequent
- Reinsurance
- Other items

2. **ALL RESERVES** are required to be secured by funds withheld, funds maintained in a trust account that complies with A.R.S. § 20-1094.01, and/or clean, irrevocable and unconditional Letter(s) of Credit in accordance with A.R.S. § 20-261.02(B). Ceding insurers should report reinsurance ceded to UCLD Reinsurers as “unauthorized,” and report the reserves and reserve security in appropriate schedules in the ceding insurer’s Annual Statement (Schedule S, Part 4 of the Life and Health blank, and Schedule F, Part 5 of the P&C blank). ***Attach a copy of Financial Institution Statement of Trust Deposit secured for reserves in compliance with A.R.S. § 20-261.02 and A.A.C. R20-6-1603, and/or a copy of Letter(s) of Credit that comply with A.R.S. § 20-261.02 and A.A.C. R20-6-1604, and/or a copy of cession statement(s) disclosing the amount of funds withheld, as applicable, to the Annual Statement Filings Worksheet E-UCLDR.AS.***
3. **CERTIFICATION OF DOMESTIC UNAFFILIATED CREDIT LIFE AND DISABILITY REINSURER PURSUANT TO A.R.S. § 20-1082(2)** E-UCLDR.CERT must be completed and the affidavit on page 2 must be signed, notarized and returned with the Annual Statement. The President and the Secretary are required to sign the affidavit. If this is not possible, provide a certified Corporate Resolution of Authorization for signers other than the President and Secretary. ***Attach completed E-UCLDR.CERT to the Annual Statement Filings Worksheet Form E-UCLDR.AS.***
4. **CERTIFICATE OF DISCLOSURE FORM E-178UCLDR (A.R.S. § 20-233)** This form should be **directed immediately to** EXECUTIVE OFFICERS or DIRECTORS, **WHO ARE LISTED ON THE JURAT PAGE** for complete execution and notarized, original signatures. Incomplete certificates will not be accepted as filed with this Department. The reinsurer will be e-mailed or a facsimile sent stating that the certificate is incomplete and another certificate must be submitted immediately. This delay may result in statutory penalty of \$25 per day and/or other disciplinary action by this Department. ***Attach completed Form E-178UCLDR to the Annual Statement Filings Worksheet Form E-UCLDR.AS.***
5. **DUE DATE:** The annual statement filing due date for “UCLD” Reinsurers is August 1 if the Reinsurer’s fiscal year end is December 31st, or November 1 if the fiscal year ends on a date other than December 31st.

Questions regarding any of the filing requirements should be directed to:

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